

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 6859**

**BILL NUMBER: SB 293**

**NOTE PREPARED: Jan 3, 2012**

**BILL AMENDED:**

**SUBJECT:** Inheritance Tax.

**FIRST AUTHOR:** Sen. Smith J

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** This bill reclassifies a spouse, widow, or widower of a child of the transferor as a Class A transferee instead of a Class B transferee. It reclassifies a spouse, widow, or widower of a stepchild of the transferor as a Class A transferee instead of a Class C transferee. It annually increases the Inheritance Tax exemption amounts through 2015. It provides that the tax base for determining the Inheritance Tax includes the exempted amount but applies a 0% tax rate to transfers that are equal to or less than the exempted amount. It reduces the Inheritance Tax rates by 50% for transfers resulting from the death of an individual who dies after June 30, 2016. It repeals the Indiana Estate Tax on July 1, 2012. The bill also provides that the repealed statutes, as in effect on June 30, 2012, apply to the estate of an individual who dies before July 1, 2012.

**Effective Date:** July 1, 2012.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

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